111 Amendment 10/071,490 (60019660-0021) Page 3

bone are unknown. Method for filling bone defects utilizing compositions constituted solely of chitin or chitosan are also unknown.

Please amend the second paragraph on page 1/4 as follows:

5/20/6

The scaffolding materials in the compositions of the present invention serve to provide direction and a structure for the development of host neovasculature and osteogenic cells. Materials useful for this purpose include hydroxyapatite-chitosan and sulfated -chitosan composites, materials disclosed in U.S. Patents 5,839,4935,830,493; 5,563,124; 5,755,792; or 5,711,957, DBM, or, preferably, cancellous bone, chitosan, chitosan-protein fibers, or chitin-protein fibers. Cancellous bone may be obtained from any source, including cadavers. When used as a scaffolding material, the cancellous bone is preferably milled to 0.1-1.5mm in its longest diameter. Cancellous bone is used in these compositions for its osteoconductive character due to its physical characteristics as a scaffolding material. It is not known to provide any live cells or osteoinductive growth factors. CaSO₄, CaCO₃, and other calcium salts can also be formed into crystals, either singly or combined with chitosans, to be used as scaffolding materials. The scaffolding material is utilized in the compositions at 10-50%, preferably 20-40%.